The Paradox of Prop. 13: The Informed Public’s Misunderstanding of California’s Third Rail

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Abstract

Political science research has long established a list of factors associated with higher levels of political knowledge. Among these are education, income, political attentiveness, voter participation, and age. This analysis, using questions from a 2005 and a 2009 California Field Poll, shows that all of those predictors are associated with not only a lack of accurate understanding, but actual misinformation when it comes to basic comprehension of California’s Proposition 13. This is a unique finding, in that misinformation is concentrated among those who ought to be most politically aware. Several possible explanations for this bizarre phenomenon are explored. This is especially interesting, since the misunderstanding persists 31 years after the passage of the landmark tax measure.

Keywords: Prop. 13, misinformation, public opinion, knowledge, reform, misunderstanding, direct democracy, information effects, California, initiatives
Democracy depends upon citizen participation and competence. If citizens are poorly informed about political questions, the validity of approval and support responses on surveys may be suspect, and poor vote choices may result. Ultimately, public opinion and policy may be out of line with the true preferences of the electorate. This is an even greater concern when voters are directly making policy via initiatives, and if they are not just lacking in knowledge, but rather, have misperceptions about important political issues. If the most attentive and engaged citizens hold these mistaken beliefs, the prospects for good policy are even bleaker. This paper presents evidence that just such a situation is occurring with Californian’s knowledge about the “third rail” of California politics, Proposition 13.

In 1978, California voters got caught up in an enormously popular tax revolt, which reached its peak with the passage of Proposition 13. Proposition 13 received massive media attention, helped spur a strong 69% voter turnout in the June 1978 primary election, and passed with an overwhelming 65% of the vote (California Secretary of State 1978). The proposition severely limited property tax increases and changed the relationship between local governments and the state in regards to revenues.¹ It is often blamed for declining schools and other poorly supported public services within California, and unequal tax burdens for similar homes or businesses bought at different times. Its supporters and detractors credit it with keeping property taxes low (Citrin 2009; Schrag 1998), though as predicted very early on, the ratio of the overall business to residential tax burden has shifted in the years since Prop. 13’s passage (Danziger 1980). More frequent residential versus commercial mobility means, for example, that in San Francisco County, commercial property taxes shifted from 59% of the overall burden 30 years ago, to 43% today (Ting 2009).

¹This work was supported by the California State University Social Science Research and Instructional Council’s Field Faculty Fellowship, in conjunction with the Field Research Corporation. Thanks also to helpful feedback from Steve Nicholson.
Although ballot initiatives with strong racial and ethnic dimensions have garnered a great deal of attention from scholars and political observers in recent years (Bowler, Nicholson, and Segura 2006; Nicholson 2005, chp.6; Tolbert and Hero 1996; Tolbert and Grummel 2003), perhaps no initiative figures more prominently in California political consciousness than Prop. 13. It has been repeatedly called the untouchable “third rail” in California politics (Voegeli 2010). Indeed, a Lexus-Nexus search of U.S. Newspapers and wires, and a Newsbank search of California newspapers reveal hundreds of newspaper articles written each and every year since 1978 about Proposition 13. It also remains very popular with Californians, with large majority support for the measure found in survey after survey (PPIC 2006; Field Research Corporation 2008; Field Research Corporation 2009).

Despite its popularity, however, survey data from July 2005 and October 2009 California Field Polls reveal a fascinating paradox. Public opinion scholars have consistently found that the highly educated, politically attentive, wealthier, older members of the public exhibit higher levels of political knowledge. Yet, as I will demonstrate, each of the characteristics traditionally tied to higher political knowledge is more associated with an incorrect answer about Prop. 13 than a correct one. This paper will unpack this finding and demonstrate that the very Californians who should know better are confused about the “third rail” of California politics.

**Political Awareness and Ballot Propositions**

Political awareness is a product of the information environment (Jerit, Barabas, and Bolsen 2006; Nicholson 2003) and individual-level characteristics (Bennett 1995; Delli Carpini and Keeter 1996). In particular, the political behavior literature is rich with studies establishing a strong and persistent relationship between levels of political knowledge and individual-level characteristics. The clearest link is between education levels and knowledge, but strong influence also comes from income and age (Ansolabehere and Iyengar 1995; Campbell, Converse, Miller, and Stokes 1960; Lau and Redlawsk 1997; Page and Shapiro 1992). Behavioral factors can also influence knowledge levels, especially attentiveness to political matters and voter registration status (Delli Carpini and Keeter 1996; Tolbert and Smith 2005). The association between education, income, age, and attentiveness and political knowledge is so strong and firmly established that it is practically now taken as a given in the literature (Delli, Carpini, and Keeter 1996; Jerit, Barabas, and Bolsen 2006).

Citizens voting on ballot measures require specific policy information, and studies have associated well-informed voters with “correct” voting (in line with their own preferences) (Bowler and Donovan 1998; Lupia 1994). Bowler and Donvan (1998), for instance, show that the educated are typically more aware of

ballot propositions and more likely to vote on them. It would be reasonable then, to expect that older, highly educated, higher income, attentive, knowledgeable, voter registered Californians would have a more accurate understanding of the nature of historic ballot measures than other Californians.4

Though factual knowledge questions are rare on state politics polls (and in fact no other Prop. 13 knowledge questions have ever been asked by Field or PPIC), a July 2005 and an October 2009 California Field Poll asked Californians the following question:

“As you may know, in 1978 California voters approved Proposition 13, which reduced local property taxes. To the best of your knowledge, did Proposition 13’s tax reduction apply only to residential property taxes, only to commercial property taxes, or to both?” (California Poll 05-02; 09-03)

The correct answer to the above question is “both.” The political knowledge literature would predict that the most attentive and aware respondents would do well on this question, while those who are traditionally considered “low-information” would do poorly.

Data and Findings

Californians who ought to be the most knowledgeable are not only least likely to choose “both,” but they tend to gravitate towards the same wrong answer: “residential only.” Fascinatingly, Californians who ought to be least knowledgeable (such as high school drop-outs) are more likely to get it right. Most of these tables use the data from the 2005 survey, since it was more comprehensive. Table 8 confirms that the patterns are the same for the variables measured in both surveys (2005 and 2009) and Table 4 offers evidence about homeownership not available in the 2005 survey. Tables 1-4 demonstrate the pattern for demographic variables, while Tables 5-7 show the pattern for behavioral factors that should contribute to knowledge.

Education

Table 15 shows the data by education level. Surprisingly, the group with the most education (more than a master’s degree) is most likely to answer (incorrectly) that Prop. 13 applies only to residential property. On the other end of the scale, the lowest educational category (less than high school diploma) has the highest percentage of correct responses. This runs against all expectations, since other re-
search shows a negative correlation between misinformation and education levels (Price and Hsu 1992).

**Age**

On this issue, we might assume that age would be especially relevant. The younger respondents in a poll taken 27 (or 31) years after the passage of Prop. 13 may well be forgiven for not properly understanding its implications. We would expect older Californians to be more knowledgeable, though. However, as Table 2 shows, those who were not yet born or who were under the legal voting age of 18 in 1978 are, more likely to respond correctly, whereas those who were 18 or older when California voted on Prop. 13 were most likely to pick the “residential only” option.

**Table 1. Education**

Education level and understanding of the impact of Proposition 13. Which types of properties does Proposition 13 apply to?

<table>
<thead>
<tr>
<th>Educational Attainment</th>
<th>&lt;HS</th>
<th>HS/Trd/voc</th>
<th>1-2 coll/AA</th>
<th>BA/BS</th>
<th>5 collg Masters</th>
<th>&gt;Masters</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Both (correct response)</td>
<td>53.2%</td>
<td>40.6%</td>
<td>26.5%</td>
<td>27.1%</td>
<td>29.9%</td>
<td>28.3%</td>
<td>34.7%</td>
</tr>
<tr>
<td>Residential only</td>
<td>9.7%</td>
<td>32.1%</td>
<td>48.3%</td>
<td>49.9%</td>
<td>53.3%</td>
<td>58.5%</td>
<td>39.1%</td>
</tr>
<tr>
<td>Commercial only</td>
<td>11.0%</td>
<td>5.4%</td>
<td>3.8%</td>
<td>6%</td>
<td>2.8%</td>
<td>--</td>
<td>4.4%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>26.0%</td>
<td>22.4%</td>
<td>21.4%</td>
<td>25.4%</td>
<td>14.0%</td>
<td>13.2%</td>
<td>21.7%</td>
</tr>
</tbody>
</table>

\[ x^2 = 113.630 \]
\[ .000 \]
\[ N = 953 \]

Most common response within that educational attainment category is bolded. Raw values in parentheses.

Source: July 2005 California Field Poll 05-02

Table 2. Age

Respondent age in 1978 and understanding of the impact of Proposition 13. Which types of properties does Proposition 13 apply to?

<table>
<thead>
<tr>
<th>Voting Age in 1978, when Prop. 13 Passed</th>
<th>Not born yet or &lt;18</th>
<th>18+</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Both</td>
<td>36.8%</td>
<td>32.4%</td>
<td>34.8%</td>
</tr>
<tr>
<td>(correct response)</td>
<td>(188)</td>
<td>(137)</td>
<td>(325)</td>
</tr>
<tr>
<td>Residential only</td>
<td>30.7%</td>
<td><strong>49.2%</strong></td>
<td>39.1%</td>
</tr>
<tr>
<td></td>
<td>(157)</td>
<td>(208)</td>
<td>(365)</td>
</tr>
<tr>
<td>Commercial only</td>
<td>5.3%</td>
<td>3.5%</td>
<td>4.5%</td>
</tr>
<tr>
<td></td>
<td>(27)</td>
<td>(15)</td>
<td>(42)</td>
</tr>
<tr>
<td>Don’t know</td>
<td>27.2%</td>
<td>14.9%</td>
<td>21.6%</td>
</tr>
<tr>
<td></td>
<td>(139)</td>
<td>(63)</td>
<td>(202)</td>
</tr>
</tbody>
</table>

*χ² = 39.209, p < 0.000*

N = 934

Most common response within that age category is bolded. Raw values in parentheses.

Source: July 2005 California Field Poll 05-02

Income

Table 3 presents the responses by household income level. A similar pattern holds. A plurality of the responses for the lowest income group (<$20K) are correct, while a majority within the highest income group ($89K+) get it wrong, picking residential effects only. This is especially curious, since those with higher income are more likely to be (or expect to become) homeowners and possibly even business owners, and therefore have direct experience with the effects of Proposition 13.

Homeownership

The 2009 survey asked a question about home ownership vs. renting that was missing in 2005. Logically, it would make sense if homeowners paid more attention to Prop. 13, since they are subject to the tax implications in a way that renters are not. However, as Table 4 illustrates, a plurality of homeowners answered incor-
Table 3. Income

Income level and understanding of the impact of Proposition 13. Which types of properties does Proposition 13 apply to?

<table>
<thead>
<tr>
<th>Household Income</th>
<th>&lt;$20K</th>
<th>$20-40K</th>
<th>$40-60K</th>
<th>$60-80K</th>
<th>$80K+</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Both</td>
<td>45.2%</td>
<td>37.9%</td>
<td>29.8%</td>
<td>30.3%</td>
<td>27.6%</td>
<td>34.8%</td>
</tr>
<tr>
<td>(correct response)</td>
<td>(94)</td>
<td>(74)</td>
<td>(42)</td>
<td>(30)</td>
<td>(63)</td>
<td>(303)</td>
</tr>
<tr>
<td>Residential only</td>
<td>23.6%</td>
<td>32.8%</td>
<td>46.1%</td>
<td>44.4%</td>
<td>56.1%</td>
<td>40.2%</td>
</tr>
<tr>
<td>(49)</td>
<td>(64)</td>
<td>(65)</td>
<td>(44)</td>
<td>(128)</td>
<td>(350)</td>
<td></td>
</tr>
<tr>
<td>Commercial only</td>
<td>5.8%</td>
<td>7.2%</td>
<td>4.3%</td>
<td>2.0%</td>
<td>.9%</td>
<td>4.1%</td>
</tr>
<tr>
<td>(12)</td>
<td>(14)</td>
<td>(6)</td>
<td>(2)</td>
<td>(2)</td>
<td>(36)</td>
<td></td>
</tr>
<tr>
<td>Don’t know</td>
<td>25.5%</td>
<td>22.1%</td>
<td>19.9%</td>
<td>23.2%</td>
<td>15.4%</td>
<td>20.9%</td>
</tr>
<tr>
<td>(53)</td>
<td>(43)</td>
<td>(28)</td>
<td>(23)</td>
<td>(35)</td>
<td>(182)</td>
<td></td>
</tr>
</tbody>
</table>

\[ x^2 = 65.587 \]

\[ .000 \]

N = 871

Most common response within that income category is bolded. Raw values in parentheses.

Source: July 2005 California Field Poll 05-02

...rectly, and picked “residential only,” while a plurality of renters chose the correct “both” option. This result is very much consistent with self-interest and a potential blindness to issues outside of one’s own experience. Homeowners may be aware of Prop. 13’s impact on their property taxes, but may not think beyond themselves to the larger implications. Renters may actually be in a position to be more objective.

Political Attentiveness

Table 5 looks at self-reported attentiveness to government and political news. We would certainly think that public affairs attentiveness would predict an accurate understanding of such an important ballot measure and policy that continues to be in the news. But again, the correct response is most common for those paying no or little attention to public affairs, while a plurality of those paying some or a great deal of attention to politics chose “residential only.”
Political Knowledge

The July 2005 California Field Poll asked three other factually based knowledge questions. One asked Governor Schwarzenegger’s party affiliation, another asked which party held a majority in the state legislature, and a third asked how many terms members of the California State Assembly were limited to. I combined correct responses to these three questions into a “knowledge index” variable, where 0 = none correct, and 3 = 3 correct, and so on. Table 6 shows that this bizarre pattern holds even in relation to knowledge about other California government items. Those who got 2 or more correct were most likely to believe that Prop. 13 applies only to homes, while those who did worst on the knowledge index were still most likely to correctly guess “both”.

Voter Registration

Registered voters are clearly more likely to have higher levels of knowledge about politics and government. This may be both cause and effect of registration,

<table>
<thead>
<tr>
<th></th>
<th>Renter</th>
<th>Homeowner</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Both (correct response)</td>
<td>35.5% (92)</td>
<td>37.1% (265)</td>
<td>36.8% (371)</td>
</tr>
<tr>
<td>Residential only</td>
<td>32.4% (84)</td>
<td>43.7% (312)</td>
<td>40.6% (409)</td>
</tr>
<tr>
<td>Commercial only</td>
<td>5.4% (14)</td>
<td>1.4% (10)</td>
<td>2.4% (24)</td>
</tr>
<tr>
<td>Don’t know</td>
<td>26.6% (69)</td>
<td>17.8% (127)</td>
<td>20.2% (203)</td>
</tr>
</tbody>
</table>

Most common response within that knowledge category is bolded. “Refused” are excluded—total of 34 cases.

Source: October 2009 California Field Poll 09-03
Table 5. Attentiveness
Public affairs attentiveness and understanding of the impact of Proposition 13. Which types of properties does Proposition 13 apply to?

<table>
<thead>
<tr>
<th>Attention to Government and Political News</th>
<th>None</th>
<th>A Little</th>
<th>Some</th>
<th>A Great Deal</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Both (correct response)</td>
<td>34.9%</td>
<td>37.1%</td>
<td>31.1%</td>
<td>38.5%</td>
<td>34.7%</td>
</tr>
<tr>
<td>Residential only</td>
<td>25.6%</td>
<td>28.9%</td>
<td>40.3%</td>
<td>46.5%</td>
<td>39.2%</td>
</tr>
<tr>
<td>Commercial only</td>
<td>14.0%</td>
<td>5.2%</td>
<td>3.5%</td>
<td>3.8%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>25.6%</td>
<td>28.9%</td>
<td>25.1%</td>
<td>11.2%</td>
<td>21.7%</td>
</tr>
</tbody>
</table>

\[ x^2 = 46.163, \quad .000 \]

N = 950

Most common response within that attentiveness category is bolded. Raw values in parentheses. Source: July 2005 California Field Poll 05-02

since interest in civic affairs motivates citizens to register, and registered voters are more likely to have voted in the past, thereby accruing experience and knowledge about past votes (for those old enough, that may include a vote on Prop. 13) (Tolbert and Smith 2005). This particular 2005 California Field Poll allowed the following response options: “non-citizen” “not registered” “registered elsewhere” and “registered where currently live.” The “registered elsewhere” category may largely consist of citizens who have recently moved, some of whom may be recent arrivals from other states. We would expect them to be less knowledgeable about California government than citizens with up-to-date registration status. We would expect non-citizens and those not registered to be similarly uninformed. But sure enough, as Table 7 shows, just as with the other demographic categories, a majority of those with current voter registration chose “residential only,” while a plurality of respondents in the three other categories picked “both.”
Is the 2005 Poll an Anomaly?

These findings are surely surprising and counter to conventional wisdom. Could it be the case that the 2005 poll was somehow a fluke? To test this, I was able to get the same question put on the October 2009 Field Poll. The results were remarkably similar. Table 8 depicts the percentage at the high end of the measurement versus the low end of the measurement (i.e., advanced degrees vs. high school dropouts in the “education” variable, “most attentive” vs. “not at all attentive” for the attentiveness variable, etc.). In each case, the percentage reported is the plurality response within that category. As Table 8 shows, though the numbers are not identical, the pattern remains the same in both surveys. This paradox is no fluke.

Amazingly, whether the sample is sorted by education levels, age, income, homeowner status, attentiveness, factual knowledge about other political topics, or voter registration, the same inverted pattern holds. It should also be pointed out that the “don’t know” response option still sorts out as one might expect, with the lowest income, education, attentiveness, and knowledge levels along with the

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Table 6. Knowledge

3-item knowledge index and understanding of the impact of Proposition 13. Which types of properties does Proposition 13 apply to?

<table>
<thead>
<tr>
<th></th>
<th>Missed All</th>
<th>1 Correct</th>
<th>2 Correct</th>
<th>3 Correct</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Both (correct response)</td>
<td>40.0%</td>
<td>37.4%</td>
<td>31.4%</td>
<td>35.8%</td>
<td>34.8%</td>
</tr>
<tr>
<td>(37) (132)</td>
<td>(139) (24)</td>
<td>(332)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential only</td>
<td>24.7%</td>
<td>29.2%</td>
<td>47.3%</td>
<td>58.2%</td>
<td>39.2%</td>
</tr>
<tr>
<td>(23) (103)</td>
<td>(209) (39)</td>
<td>(374)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial only</td>
<td>8.6%</td>
<td>7.1%</td>
<td>2.0%</td>
<td>--</td>
<td>4.4%</td>
</tr>
<tr>
<td>(8) (25)</td>
<td>(9) (42)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Don’t know</td>
<td>26.9%</td>
<td>26.3%</td>
<td>19.2%</td>
<td>6.0%</td>
<td>21.7%</td>
</tr>
<tr>
<td>(25) (93)</td>
<td>(85) (4)</td>
<td>(207)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

χ² = 62.011
N = 955

Most common response within that knowledge category is bolded. Raw values in parentheses.
Source: July 2005 California Field Poll 05-02

Is the 2005 Poll an Anomaly?

These findings are surely surprising and counter to conventional wisdom. Could it be the case that the 2005 poll was somehow a fluke? To test this, I was able to get the same question put on the October 2009 Field Poll. The results were remarkably similar. Table 8 depicts the percentage at the high end of the measurement versus the low end of the measurement (i.e., advanced degrees vs. high school dropouts in the “education” variable, “most attentive” vs. “not at all attentive” for the attentiveness variable, etc.). In each case, the percentage reported is the plurality response within that category. As Table 8 shows, though the numbers are not identical, the pattern remains the same in both surveys. This paradox is no fluke.

Amazingly, whether the sample is sorted by education levels, age, income, homeowner status, attentiveness, factual knowledge about other political topics, or voter registration, the same inverted pattern holds. It should also be pointed out that the “don’t know” response option still sorts out as one might expect, with the lowest income, education, attentiveness, and knowledge levels along with the
Table 7. Voter Registration
Voter registration status and understanding of the impact of Proposition 13. Which types of properties does Proposition 13 apply to?

<table>
<thead>
<tr>
<th>Type of Property</th>
<th>Non-citizen</th>
<th>Not. reg.</th>
<th>Registered elsewhere</th>
<th>Registered where live</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Both (correct response)</td>
<td>42.6%</td>
<td>41.7%</td>
<td>46.2%</td>
<td>30.2%</td>
<td>35.0%</td>
</tr>
<tr>
<td>Residential only</td>
<td>7.7%</td>
<td>28.8%</td>
<td>30.8%</td>
<td>51.4%</td>
<td>39.2%</td>
</tr>
<tr>
<td>Commercial only</td>
<td>7.1%</td>
<td>9.4%</td>
<td>3.8%</td>
<td>2.5%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>42.6%</td>
<td>20.1%</td>
<td>19.2%</td>
<td>15.8%</td>
<td>21.4%</td>
</tr>
</tbody>
</table>

\[ x^2 = 139.902 \]
\[ \text{.000} \]
\[ N = 955 \]

Most common response within that knowledge category is bolded. Raw values in parentheses.
Source: July 2005 California Field Poll 05-02

Table 8.
2005 vs. 2009: Pluralities at the low end chose “both” and at the high end chose “residential” in both years

<table>
<thead>
<tr>
<th>Category</th>
<th>Low choosing “both”</th>
<th>High choosing “residential only”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>53.2%</td>
<td>58.8%</td>
</tr>
<tr>
<td>Income</td>
<td>45.2%</td>
<td>38.4%</td>
</tr>
<tr>
<td>Attention</td>
<td>34.9%</td>
<td>34.8%*</td>
</tr>
<tr>
<td>Age</td>
<td>36.8%</td>
<td>36.9%</td>
</tr>
</tbody>
</table>

\[ N = 955 \ (2005) \]
\[ 1004 \ (2009) \]

*Plurality amongst substantive answers only, but “don’t know” actually got a plurality at 47.8%.
Source: July 2005 California Field Poll 05-02; October 2009 California Field Poll 09-03
youngest respondents, renters, and non-citizens tending to be most likely to choose “don’t know.” At the other end of the scale, those who are older, those with the highest levels of education, income, political attentiveness, and knowledge, along with homeowners and properly registered voters are least likely to say they “don’t know.” In a sense, then, more of the traditionally “high-information” Californians are confidently expressing an incorrect belief. They think they know that Prop. 13 applies only to residential property.

To examine the relative impact of these factors on the Prop. 13 responses, I ran two logistic regressions. One predicts a correct “both residential and commercial” response, and the other predicts the incorrect (but quite common) “residential only” response.

The results are overall consistent with the crosstabs. The logistic regression results show a positive association between all of the likely predictors of knowledge and the incorrect “residential only” response. The only statistically significant coefficients are for income, age, and status as a registered voter. Older, higher income, and registered voters are especially more likely to think that Prop. 13 applies to residential property taxes only. For the “correct response” model, most of the variables are negatively associated, which means that those with lower levels of income and education, and younger respondents who are not registered to vote are more likely to guess correctly that Prop. 13 applies to both commercial and residential property. Political attentiveness and a higher score on the knowledge index somewhat counteract this pattern, but only attentiveness even approaches statistical significance. Strangely, age is especially lacking in explanatory power in both models (though it does achieve statistical significance in the incorrect model). Perhaps most troubling is the fact that voter registration status exerts so much influence in both models. Those most likely to participate are more likely to be misinformed.

**Discussion**

What accounts for these truly unusual findings, and why should Proposition 13 be subject to misunderstandings that, say, Prop. 140 (term limits—also asked about in the 2005 survey) was not? There are several possible explanations. These explanations are suggestive but certainly not definitive. One argument goes this way: the most highly politically aware Californians are most likely to have received and absorbed messaging about Prop. 13 that focused on the residential effects and framed it as part of a grassroots effort of the “people versus the powerful.” This is true for the 1978 campaign period, but also for those exposed to subsequent media discussion of Prop. 13. Self-interest and high personal salience would motivate homeowners and those who believe that they support Prop. 13 to pay selective attention to information about homeowners and to ignore or reject messages that run
counter to the “little guy versus the established powers” narrative (namely, the idea that corporations also benefit). Continued recall of this image of the measure only serves to solidify the positive association and strengthen the ability to reject competing data. In this way, the misinformation is reinforced most strongly for those who access those mental images most frequently (the politically aware).

The information environment likely plays a role in the misunderstanding of Prop. 13. To be sure, Californians in 1978 did have access to information about the commercial property tax implications of Prop. 13. The official 1978 primary ballot pamphlet sent out to all registered voters does not specifically refer to commercial property in the summary (which is what most voters actually read), or in the analysis by the Legislative Analyst’s Office, but it is brought up in the “Argument against Proposition 13” and in the “Rebuttal to Arguments in Favor of Proposition 13” (California Secretary of State 1978). Indeed, the opponents to Proposition 13, including many officeholders, did argue that corporations would be the major beneficiaries of the measure. (Sears and Citrin 1982, 27). But that was not the dominant narrative.

Table 9.
Predicting correct and incorrect responses to Prop.13 questions.

<table>
<thead>
<tr>
<th></th>
<th>Incorrect (Residential Only)</th>
<th>Correct Response (Both)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>SE</td>
</tr>
<tr>
<td>Education</td>
<td>.052</td>
<td>.038</td>
</tr>
<tr>
<td>Income</td>
<td>.132*</td>
<td>.060</td>
</tr>
<tr>
<td>Pol. Attentiveness</td>
<td>.158</td>
<td>.108</td>
</tr>
<tr>
<td>Age</td>
<td>.014**</td>
<td>.005</td>
</tr>
<tr>
<td>Knowledge Index</td>
<td>.190</td>
<td>.122</td>
</tr>
<tr>
<td>Registered to Vote</td>
<td>.364*</td>
<td>.143</td>
</tr>
<tr>
<td>Constant</td>
<td>-2.415**</td>
<td>.353</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>B SE</th>
<th>B SE</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>754</td>
<td>754</td>
</tr>
<tr>
<td>-2 Log Likelihood</td>
<td>914.231</td>
<td>869.906</td>
</tr>
<tr>
<td>% Correctly Pred.</td>
<td>60.8%</td>
<td>67.8%</td>
</tr>
</tbody>
</table>

*p<.10  
*p<.05  
**p<.01

The N is reduced due to list-wise deletion where a case has missing values.
Those citizens old enough (and attentive enough) to remember the Proposition 13 campaign would have been exposed to Prop. 13 messaging during a surging “taxpayer revolt.” The proponents of Prop. 13 harnessed and expanded outrage about skyrocketing property taxes via grassroots efforts spread by radio talk shows, local taxpayer and homeowner associations, and later, direct mailing. (Sears and Citrin 1982, 26) The image presented to voters was that of a grandmother on a fixed income losing her home due to exorbitant property taxes. Specific examples of this, particularly in Los Angeles County, were heavily featured in television coverage of the issue. Understandably, the pro-Prop. 13 campaign relied on that image, and did not highlight the benefits to corporations as the chief selling point. (Schrag 1998; Smith 1999). The politically aware are more likely to have received those emotionally salient cues, which focused on only part of the story. This is in line with Zaller’s RAS model, which would predict more absorption of political cues by the most attentive and aware (Zaller 1992). Druckman and Nelson also found that more knowledgeable citizens are more receptive to elite framing effects (Druckman and Nelson 2003).

Post–1978 media coverage also plays a role. Though contemporary Californians have been potentially continually exposed to information about Proposition 13’s impact on business property taxes via print media outlets, the proportions are quiet lopsided. The proportion of Prop. 13 stories mentioning “commercial property” or “business property” is quite low—2% in 1978 (Lexis-Nexis), 19% in 2005 (year of the first survey), and 13% in 2009 (year of the second survey) according to a Newsbank California newspaper search. This lopsided information environment may have especially influenced the most attentive citizens, who mostly read about the residential effects without mention of the business implications. Indeed, some research has found that a chief reason that the politically aware might possess misinformation is because they are most likely to receive and absorb misleading media cues (Ansolabehere et al. 2005; Hofstetter et al. 1999; Jerit et al. 2006; PIPA 2003).

Those who were either not old enough to be attentive to politics in 1978, or who subsequently moved to California, would also have been likely to encounter homeowner-focused Prop. 13 information. For home buyers, the concrete real-life experience with California real estate agents, who tend to bring up the benefits of Prop. 13 with clients, and subsequent experience paying capped property taxes likely establishes a positive, salient image of the measure. Since for most people, self-interest is not at play when it comes to the commercial property tax implications of Prop. 13, they may simply ignore that information as irrelevant.

The motivated reasoning literature also offers insights. High-information respondents may have initially formed a positive impression of Prop. 13 and its association with keeping granny from losing her home. Indeed, the continued popular-
ity of Prop. 13 attests to the positive affect in the minds of voters. In 1978, 65% of voters approved the measure. In the California Field Poll’s “Proposition 13 at 30” poll in 2008, a 57% majority of respondents said they would approve Prop. 13 were it up for a vote today, as did a whopping 79% of those who had owned their homes for 30 years or more. (Field Research Corporation 2008). This positive affect may drive motivated reasoning, wherein any information that runs counter to the initial impression is ignored, and that which comports with it is absorbed (Redlawsk 2001; Lodge and Taber 2000). Previous work has found that individuals are more likely to make motivated judgments and to search their own memory in a biased way when the content concerns themselves versus others (Kunda et al. 1993). This may help explain why homeowners and those in income brackets that allow for home ownership may zero in on the residential nature of Prop. 13, whereas renters and those with low income may not.

But even if politically aware respondents first encountered only the homeowner-ship aspect of Prop. 13, and due to self-interest and affective coding, absorbed this impression, and retain it in memory due to those factors (Moore and Loewenstein 2004), how is it that these respondents failed to add the commercial property aspect to their understanding of the issue—and how did that misunderstanding persist for as long as 31 years? Motivated skepticism makes people skeptical of information that runs against what they would prefer to believe (Ditto and Lopez 1992). Attentive Californians may prefer to believe that Prop. 13 is populist and populist only. Thoughts about tax benefits to large, powerful corporations disrupt that clean narrative, and are therefore treated skeptically. The more the misimpression is recalled in memory and reinforced (which would occur most with the most attentive, educated, and those registered to vote), the more central it becomes to considerations when the topic is encountered again (Kuklinski et al. 2000; Wyer and Ottati 1993), so this effect would be magnified over time.

There is an emerging misinformation literature that concludes that factual corrections do not actually alleviate misperceptions, or at least not the affect associated with the initial perception (Bullock 2006; Cobb 2007). In fact, at least one study provides evidence that corrections can “backfire” and actually cement the misimpression (Nyhan and Reifler 2010). These psychological mechanisms may well have kept politically aware Californians from correctly understanding the nature of Proposition 13, even if presented with the facts.9

Why Do the Politically Inattentive Get It Right?

Bizarrely, these results also show that those we would expect to be in the “low-information” group tend to get it right. What accounts for this? Perhaps some of it is the flip side of the self-interest argument. The nonpolitically aware have likely
had little to no personal exposure to Prop. 13. They are likely not homeowners, and therefore lack the positive and salient personal association with Prop. 13. They may not have received any messages about Prop. 13 at all. Essentially, none of the above logic about the politically aware group applies to them, and so they do not gravitate towards the residential-only response like the most aware respondents do.

But also, this may be a good example of the surprising accuracy of low-information guessing. With little other information to go on, it may make the simplest logical sense that the tax benefits would accrue to both businesses and homeowners. This is in line with some more recent economic work arguing that sometimes in decision-making “less is more” (Gigerenzer 2007).

Another possible explanation is that when presented with three response options, “residential,” “commercial,” or “both,” “both” serves as a sort of default response. The respondent may have no knowledge at all of Proposition 13, but the face-saving “safe” response is “both.” This would be similar to the propensity for picking the middle option on a Likert scale or choosing “moderate” on a political ideology question. (Kalton and Holt 1980)

**What Does It Mean?**

If facts truly are the “currency of democratic citizenship” (Delli, Carpini and Keeter 1996), then holding incorrect factual beliefs is particularly troubling. As others have pointed out, a lack of knowledge depletes democracy, but misinformation is even more insidious (Druckman 2001; Hofstetter et al. 1999; Kuklinski et al. 2000; Kuklinski et al. 1994; Nelson, Clawson, and Oxley 1999; Powell 1989). This analysis points to an even more distressing possibility: that the most politically aware people can be, under specific circumstances, the most misinformed. If those most likely to think they have a grasp on political information are in fact wrong, there are tremendous negative implications for a smoothly functioning democracy. Those implications are particularly dangerous where forms of direct democracy exist, and those very citizens are expected to vote directly on policy.

Another disheartening implication of these findings is that misinformation can persist, even 31 years after the measure was on the ballot. One might have assumed that years of subsequent public discussions and consistent media attention to the contentious measure would have allowed politically aware Californians to obtain accurate information and to update their mistaken understandings of Prop. 13. Apparently, no such process has occurred for a great number of respondents.10

These findings have particularly pressing relevance for contemporary California as it struggles through budget crises and consistent concerns about its very governability. One oft-proposed reform is a “split roll” for Prop. 13 property taxes, which would separate the tax restrictions for residential and commercial property.
The likelihood of success at altering the Prop. 13 “third rail” may be significantly diminished if the most politically aware Californians don’t think Prop. 13 benefits businesses in the first place. On the other hand, maybe they would be even more receptive, since they could maintain their current image of “Prop. 13” even after a split roll.11 A larger concern for a state so heavily mired in initiative politics is the implication that if the politically aware are confused on such a major issue, perhaps even they cannot be expected to make wise judgments about constitutional reforms or on ballot measures in general. These findings may make us think twice about the wisdom of direct democracy.
References


Notes

1. It also required a 2/3 majority vote in both houses of the legislature for tax increases.
2. The search was since 1978 for Lexus-Nexus, and since the mid '80s for Newsbank, because their records don’t go back further. Prop. 13 is still very much a live political topic. A Newsbank search of all included California newspapers for 2005 (the year of the first survey) elicited 2,387 hits. The pattern shows a peak number of Prop. 13 articles in 2003 (the year of the gubernatorial recall), and the first half of 2009 (with a special election and talk of a constitutional convention brewing). In 2009, through October (when the second survey was taken) there were 1,455 Prop. 13 newspaper stories on Newsbank.
3. Lupia famously argues that information shortcuts can bring “low-information” voters in line with “high-information” voters in terms of outcomes (Lupia 1994). In this case, the “low-information” respondents actually get it right anyway.
4. Though Gilens (2001) demonstrates that policy specific ignorance can exist among those who are otherwise well informed, and that specific details can influence their opinions about particular policies.
5. I use the weights provided by the Field Poll for both of the polls used in this section. Though some have argued that Field Poll weights can be idiosyncratic (Lascher and Korey 2010), the use of only two polls, not a large pooled sample, made the use of these weights more reasonable.
6. The Field weights are used for each of these samples, though the weighting may not be identical for each survey, hence the simple presentation.
7. I did run the data by ideology and gender as well, but the Prop. 13 responses were remarkably similar (not statistically different) for women and men or for different ideological persuasions. In line with previous research, the “don’t know” responses were higher for the women than the men (Mondak and Anderson 2003; 2004).
8. Though the longevity of those effects is questionable.
9. Further exacerbating this situation, those most confident in their opinions may also be most inaccurate (Tetlock 2005; Kuklinski et al. 2000; Kruger and Dunning 2009). Though only suggestive, the “don’t know” responses (which, I am convinced, truly mean “don’t know” (Luskin and Bullock 2005) to the Prop. 13 question are much less frequent for the groups that should be most politically aware, and much higher for those at the other end of the scale. This suggests that the aware respondents think they do know the proper answer, even though a majority of them do not.
10. Unfortunately, surveys with objective knowledge questions are scarce, especially at the state level. There may be other such instances that we simply don’t have data on.
11. Though this is probably only true if the campaign refrained from using the term “Prop. 13,” which has become freighted with affect, if not with comprehension.